

AMENDED IN ASSEMBLY AUGUST 28, 2013

SENATE BILL

No. 100

Introduced by Committee on Budget and Fiscal Review

January 10, 2013

~~An act relating to the Budget Act of 2013. An act to amend Sections 1091, 13073.5, 30061, and 30070 of the Government Code, to amend Sections 1231 and 13821 of the Penal Code, to amend Sections 17053.33, 17053.70, 18410.2, 23612.2, and 23633 of the Revenue and Taxation Code, and to amend Sections 1403, 18220, and 18220.1 of the Welfare and Institutions Code, relating to public finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 100, as amended, Committee on Budget and Fiscal Review.
~~Budget Act of 2013. Public finance.~~

Existing law prohibits certain public officials and employees from being financially interested in any contract made by them in their official capacity, or by any board of which they are members. An officer is not deemed to be interested in a contract entered into by a body or board of which the officer is a member if the officer has only a remote interest in the contract and other requirements are met. A remote interest is required to be publicly disclosed, and thereafter the public body may authorize, approve, or ratify the contract in question, but the officer or employee with the remote interest is disqualified from voting. A remote interest is defined to include, among others, the interest of a person who is an officer or employee of a nonprofit entity exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code or a nonprofit corporation. Violation of these provisions is a crime.

This bill would include in the definition of remote interest the interest of a person who is an officer or employee of a nonprofit entity exempt from taxation pursuant to Section 501(c)(5) of the Internal Revenue Code.

By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

Existing law establishes in the State Treasury the Local Revenue Fund 2011, a continuously appropriated fund, and requires that moneys in the fund be allocated exclusively for public safety services, as defined. Existing law further establishes the Law Enforcement Services Account within that fund, and creates the Enhancing Law Enforcement Activities Subaccount and the Juvenile Justice Subaccount within the Law Enforcement Services Account.

Existing law allocates specified funds from the Enhancing Law Enforcement Activities Subaccount to local governments, including to cities and counties that charge fees to a city, special district, community college district, college, or university for the booking or detention of a person arrested and brought to a detention facility of the city or county. Existing law also allocates moneys in the subaccount for county sheriffs' departments, California Multi-Jurisdictional Methamphetamine Enforcement Teams, Multi-Agency Gang Enforcement Consortium, Sexual Assault Felony Enforcement Teams, High Technology Theft Apprehension and Prosecution Program, Gang Violence Suppression Program, Central Valley and Central Coast Rural Crime Prevention Programs, jail construction and operation, criminal prosecution, juvenile justice plans, habitual truants, runaways, and children at risk of being wards of the court or under juvenile supervision or supervision of the county probation department.

This bill would, subsequent to the allocation made to cities and counties that charge fees to a city, special district, community college district, college, or university for the booking or detention of a person arrested and brought to a detention facility of the city or county, revise the percentages of the remaining funds to be allocated for the other above-mentioned purposes from the Enhancing Law Enforcement Activities Subaccount.

Under existing law counties are authorized to establish a Community Corrections Performance Incentives Fund (CCPIF) to receive moneys related to the placement of felons under probation supervision, mandatory supervision, and postrelease community supervision. Programs funded through a CCPIF are required to identify and track

specific outcome-based measures and report its findings to the Administrative Office of the Courts (AOC). The AOC then provides quarterly statistical information to the Department of Finance that includes, among other things, the number of felony convictions in the county and the number of felons who would have been subject to specified sentencing provisions had felony probation not been granted.

This bill would remove from the AOC's quarterly statistical information the number of felons who would have been subject to those sentencing provisions had felony probation not been granted.

The Personal Income Tax Law and the Corporation Tax Law allow a credit in an amount equal to the amount of sales or use tax paid in connection with qualified property that is purchased and placed in service before the date the enterprise zone or targeted tax area designation expires, is no longer binding, or becomes inoperative. Existing law repeals these provisions on December 1, 2014.

This bill would instead require the qualified property to be placed in service in the enterprise zone or the targeted tax area before January 1, 2015, and would repeal those provisions on December 1, 2015. The bill would also make clarifying changes to those provisions.

Existing law requires the Population Research Unit to, among other things, determine the census tracts that are within the highest quartile of census tracts with the highest civilian unemployment, and to sort the census tracts by the respective civilian unemployment rate of each in ascending order, or from the lowest, 0%, to the highest, 100%, as specified.

This bill would make clarifying changes to those provisions.

Existing law established the California Competes Tax Credit Committee, which consists of the Treasurer, the Director of Finance, the Director of the Governor's Office of Business and Economic Development, and one appointee each from the Senate and Assembly.

This bill would provide that the Director of the Governor's Office of Business and Economic Development is the chair. The bill would prohibit a member of the Legislature from being appointed to the committee.

Under existing law and until January 1, 2014, California is subject to an interstate compact for juveniles and that compact requires California, among other things, to appoint a commissioner to the Interstate Commission for Juveniles and to create a State Council for Interstate Juvenile Supervision.

This bill would extend the duration of the compact until January 1, 2016.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The bill would appropriate \$1,000 from the General Fund to the Department of Corrections and Rehabilitation for administration.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

~~*This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2013.*~~

Vote: majority. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 1091 of the Government Code is amended*
2 *to read:*

3 1091. (a) An officer shall not be deemed to be interested in a
4 contract entered into by a body or board of which the officer is a
5 member within the meaning of this article if the officer has only
6 a remote interest in the contract and if the fact of that interest is
7 disclosed to the body or board of which the officer is a member
8 and noted in its official records, and thereafter the body or board
9 authorizes, approves, or ratifies the contract in good faith by a vote
10 of its membership sufficient for the purpose without counting the
11 vote or votes of the officer or member with the remote interest.

12 (b) As used in this article, “remote interest” means any of the
13 following:

14 (1) That of an officer or employee of a nonprofit entity exempt
15 from taxation pursuant to Section 501(c)(3) of the Internal Revenue
16 Code (26 U.S.C. Sec. 501(c)(3)), *pursuant to Section 501(c)(5) of*
17 *the Internal Revenue Code (26 U.S.C. Sec. 501(c)(5))*, or a
18 nonprofit corporation, except as provided in paragraph (8) of
19 subdivision (a) of Section 1091.5.

20 (2) That of an employee or agent of the contracting party, if the
21 contracting party has 10 or more other employees and if the officer

1 was an employee or agent of that contracting party for at least three
2 years prior to the officer initially accepting his or her office and
3 the officer owns less than 3 percent of the shares of stock of the
4 contracting party; and the employee or agent is not an officer or
5 director of the contracting party and did not directly participate in
6 formulating the bid of the contracting party.

7 For purposes of this paragraph, time of employment with the
8 contracting party by the officer shall be counted in computing the
9 three-year period specified in this paragraph even though the
10 contracting party has been converted from one form of business
11 organization to a different form of business organization within
12 three years of the initial taking of office by the officer. Time of
13 employment in that case shall be counted only if, after the transfer
14 or change in organization, the real or ultimate ownership of the
15 contracting party is the same or substantially similar to that which
16 existed before the transfer or change in organization. For purposes
17 of this paragraph, stockholders, bondholders, partners, or other
18 persons holding an interest in the contracting party are regarded
19 as having the “real or ultimate ownership” of the contracting party.

20 (3) That of an employee or agent of the contracting party, if all
21 of the following conditions are met:

22 (A) The agency of which the person is an officer is a local public
23 agency located in a county with a population of less than 4,000,000.

24 (B) The contract is competitively bid and is not for personal
25 services.

26 (C) The employee or agent is not in a primary management
27 capacity with the contracting party, is not an officer or director of
28 the contracting party, and holds no ownership interest in the
29 contracting party.

30 (D) The contracting party has 10 or more other employees.

31 (E) The employee or agent did not directly participate in
32 formulating the bid of the contracting party.

33 (F) The contracting party is the lowest responsible bidder.

34 (4) That of a parent in the earnings of his or her minor child for
35 personal services.

36 (5) That of a landlord or tenant of the contracting party.

37 (6) That of an attorney of the contracting party or that of an
38 owner, officer, employee, or agent of a firm that renders, or has
39 rendered, service to the contracting party in the capacity of
40 stockbroker, insurance agent, insurance broker, real estate agent,

1 or real estate broker, if these individuals have not received and
2 will not receive remuneration, consideration, or a commission as
3 a result of the contract and if these individuals have an ownership
4 interest of 10 percent or more in the law practice or firm, stock
5 brokerage firm, insurance firm, or real estate firm.

6 (7) That of a member of a nonprofit corporation formed under
7 the Food and Agricultural Code or a nonprofit corporation formed
8 under the Corporations Code for the sole purpose of engaging in
9 the merchandising of agricultural products or the supplying of
10 water.

11 (8) That of a supplier of goods or services when those goods or
12 services have been supplied to the contracting party by the officer
13 for at least five years prior to his or her election or appointment
14 to office.

15 (9) That of a person subject to the provisions of Section 1090
16 in any contract or agreement entered into pursuant to the provisions
17 of the California Land Conservation Act of 1965.

18 (10) Except as provided in subdivision (b) of Section 1091.5,
19 that of a director of, or a person having an ownership interest of,
20 10 percent or more in a bank, bank holding company, or savings
21 and loan association with which a party to the contract has a
22 relationship of borrower or depositor, debtor or creditor.

23 (11) That of an engineer, geologist, or architect employed by a
24 consulting engineering or architectural firm. This paragraph applies
25 only to an employee of a consulting firm who does not serve in a
26 primary management capacity, and does not apply to an officer or
27 director of a consulting firm.

28 (12) That of an elected officer otherwise subject to Section 1090,
29 in any housing assistance payment contract entered into pursuant
30 to Section 8 of the United States Housing Act of 1937 (42 U.S.C.
31 Sec. 1437f) as amended, provided that the housing assistance
32 payment contract was in existence before Section 1090 became
33 applicable to the officer and will be renewed or extended only as
34 to the existing tenant, or, in a jurisdiction in which the rental
35 vacancy rate is less than 5 percent, as to new tenants in a unit
36 previously under a Section 8 contract. This section applies to any
37 person who became a public official on or after November 1, 1986.

38 (13) That of a person receiving salary, per diem, or
39 reimbursement for expenses from a government entity.

1 (14) That of a person owning less than 3 percent of the shares
2 of a contracting party that is a for-profit corporation, provided that
3 the ownership of the shares derived from the person's employment
4 with that corporation.

5 (15) That of a party to litigation involving the body or board of
6 which the officer is a member in connection with an agreement in
7 which all of the following apply:

8 (A) The agreement is entered into as part of a settlement of
9 litigation in which the body or board is represented by legal
10 counsel.

11 (B) After a review of the merits of the agreement and other
12 relevant facts and circumstances, a court of competent jurisdiction
13 finds that the agreement serves the public interest.

14 (C) The interested member has recused himself or herself from
15 all participation, direct or indirect, in the making of the agreement
16 on behalf of the body or board.

17 (16) That of a person who is an officer or employee of an
18 investor-owned utility that is regulated by the Public Utilities
19 Commission with respect to a contract between the investor-owned
20 utility and a state, county, district, judicial district, or city body or
21 board of which the person is a member, if the contract requires the
22 investor-owned utility to provide energy efficiency rebates or other
23 type of program to encourage energy efficiency that benefits the
24 public when all of the following apply:

25 (A) The contract is funded by utility consumers pursuant to
26 regulations of the Public Utilities Commission.

27 (B) The contract provides no individual benefit to the person
28 that is not also provided to the public, and the investor-owned
29 utility receives no direct financial profit from the contract.

30 (C) The person has recused himself or herself from all
31 participation in making the contract on behalf of the state, county,
32 district, judicial district, or city body or board of which he or she
33 is a member.

34 (D) The contract implements a program authorized by the Public
35 Utilities Commission.

36 (c) This section is not applicable to any officer interested in a
37 contract who influences or attempts to influence another member
38 of the body or board of which he or she is a member to enter into
39 the contract.

(d) The willful failure of an officer to disclose the fact of his or her interest in a contract pursuant to this section is punishable as provided in Section 1097. That violation does not void the contract unless the contracting party had knowledge of the fact of the remote interest of the officer at the time the contract was executed.

SEC. 2. Section 13073.5 of the Government Code is amended to read:

13073.5. The Legislature finds and declares that: (1) population size and distribution patterns in California exert a major influence on the physical, social, and economic structure of the state and on the quality of the environment generally; (2) sound and current data and methods to estimate population trends are necessary to enable state, regional, and local agencies to plan and function properly; and (3) there is a critical need for a proper study of the implications of present and future population trends in order that state, regional, and local agencies might develop or reexamine policies and actions based thereon.

The Population Research Unit shall:

(a) Develop basic demographic data and statistical compilations, which may include a current population survey and a mid-decade census.

(b) Design and test methods of research and data collection.

(c) Conduct local population estimates as required by law.

(d) Validate all official census data and population statistics.

(e) Analyze and prepare projections of enrollments in public schools, colleges, and universities.

(f) Analyze governmental records to establish characteristics of migration and distribution.

(g) Publish annual estimates of the population of the state and its composition.

(h) Prepare short- and long-range projections of population and its composition.

(i) Provide advisory services to state agencies and other levels of government.

(j) Evaluate and recommend data requirements for determining population and population growth.

(k) Analyze the demographic features of the causes and consequences of patterns of natural increase or decrease, migration, and population concentration within the state.

1 (l) Assess the need for population data required for determining
2 the allocation of federal, state, and other subvention revenues.

3 (m) Request and obtain from any department, division,
4 commission, or other agency of the state all assistance and
5 information to enable the unit to effectively carry out the provisions
6 of this section.

7 (n) Cooperate with the Office of Planning and Research with
8 respect to functions involving mutual areas of concern relating to
9 demography and state planning.

10 (o) Enter into agreements to carry out the purposes of this
11 section, including the application for and acceptance of federal
12 funds or private foundation grants for demographic studies.

13 (p) Act as primary state government liaison with the Census
14 Bureau, United States Department of Commerce, in the acquisition
15 and distribution of census data and related documentation to state
16 agencies.

17 (q) Administer, with other agencies, a State Census Data Center
18 which will be responsible for acquiring decennial and other census
19 data from the Bureau of the Census, and for providing necessary
20 information to the Legislature and to the executive branch and for
21 seeking to ensure the availability of census information to local
22 governments. The unit and the Office of Planning and Research
23 shall be responsible for designating subcenters of the State Census
24 Data Center as needed. The unit will provide materials to
25 subcenters of the State Census Data Center, will coordinate the
26 efforts of the subcenters to avoid duplication and may consult in
27 the design of standard reports to be offered by the center and its
28 subcenters.

29 ~~(r)~~

30 (r) Coordinate with the Office of Planning and Research
31 Environmental Data Center for the purposes of ensuring
32 consistency and compatibility of data products, improving public
33 access to data, ensuring the consistent interpretation of data, and
34 avoiding duplication of functions.

35 (s) (1) Determine those census tracts that are to be designated
36 census tracts based on data from the five-year American
37 Community Survey (ACS). The census tracts that are within the
38 highest quartile for both civilian unemployment and poverty
39 statistics, as determined in paragraphs (2) and (3), shall be
40 determined to be designated census tracts as described in paragraph

(7) of subdivision (b) of Section 17053.73, and paragraph (7) of subdivision (b) of Section 23626 of the Revenue and Taxation Code.

(2) To determine the census tracts that are within the highest quartile of census tracts with the highest civilian unemployment, the census tracts shall be sorted by the respective civilian unemployment rate of each in ascending order, or from the lowest (0 percent) to the highest (100 percent) according to the following:

(A) Census tracts without a civilian labor force shall be excluded.

(B) After ordering the census tracts by the civilian unemployment rate of each, the census tracts shall be divided into four equal groups or quartiles as follows:

(i) The first quartile shall represent the lowest fourth of the census tracts ~~(1 percent to less than 26 percent)~~ *(the lowest 25 percent, inclusive)*.

(ii) The second quartile shall represent the second fourth ~~(26 percent to less than 51 percent)~~ *(tracts greater than 25 percent up to 50 percent, inclusive)*.

(iii) The third quartile shall represent the third fourth ~~(51 percent to less than 76 percent)~~ *(tracts greater than 50 percent up to 75 percent, inclusive)*.

(iv) The fourth quartile shall represent the fourth fourth ~~(76 percent)~~ *(tracts greater than 75 percent up to 100 percent, inclusive)*.

(C) The last or highest quartile shall represent the top 25 percent of the census tracts with the highest civilian unemployment rates.

(3) To determine the census tracts that are within the quartile of census tracts with the highest poverty, the census tracts shall be sorted by the respective percentage of population below poverty of each in ascending order, or from the lowest (0 percent) to the highest (100 percent) according to the following:

(A) Consistent with poverty statistics in the ACS, which adhere to the standards specified by the federal Office of Management and Budget in Statistical Policy Directive 14, the poverty thresholds as specified by the United States Census Bureau shall be used to determine those individuals below poverty.

(B) To determine those individuals below poverty, different thresholds, as specified by the United States Census Bureau, shall

1 be applied to families, people living alone, or people living with
2 nonrelatives (unrelated individuals).

3 (C) If a family's total income is less than the dollar value of the
4 appropriate threshold, then that family and every individual in it
5 shall be considered to be below poverty.

6 (D) If an unrelated individual's total income is less than the
7 appropriate threshold, then that individual shall be considered to
8 be below poverty.

9 (E) Poverty status shall be determined for all people except
10 institutionalized people, people in military group quarters, people
11 in college dormitories, and unrelated individuals under 15 years
12 of age.

13 (F) Census tracts that do not have a population for whom poverty
14 status is determined shall be excluded.

15 (G) After ordering the census tracts by the respective percent
16 below poverty of each, the census tracts shall be divided into four
17 equal quartiles as follows:

18 (i) The first quartile shall represent the lowest fourth of the
19 census tracts ~~(1 percent to less than 26 percent)~~ *(the lowest 25*
20 *percent, inclusive).*

21 (ii) The second quartile shall represent the second fourth ~~(26~~
22 ~~percent to less than 51 percent)~~ *(tracts greater than 25 percent up*
23 *to 50 percent, inclusive).*

24 (iii) The third quartile shall represent the third fourth ~~(51 percent~~
25 ~~to less than 76 percent)~~ *(tracts greater than 50 percent up to 75*
26 *percent, inclusive).*

27 (iv) The fourth quartile shall represent the fourth fourth ~~(76~~
28 ~~percent)~~ *(tracts greater than 75 percent up to 100 percent,*
29 *inclusive).*

30 (H) The last or highest quartile shall represent the top 25 percent
31 of the census tracts with the highest percentage of population below
32 poverty.

33 ~~(4) To determine the census tracts that are within the lowest~~
34 ~~quartile of census tracts with the lowest civilian unemployment~~
35 ~~and poverty, the census tracts shall be sorted by the respective~~
36 ~~civilian unemployment and poverty rates of each in ascending~~
37 ~~order, or from the lowest (0 percent) to the highest (100 percent)~~
38 ~~according to the following:~~

39 ~~(A) Census tracts without a civilian labor force are to be~~
40 ~~excluded.~~

~~(B) After ordering the census tracts by the civilian unemployment and poverty rates of each, the census tracts shall be divided into four equal groups or quartiles as follows:~~

~~(i) The first quartile shall represent the lowest fourth of the census tracts (1 percent to less than 26 percent).~~

~~(ii) The second quartile shall represent the second fourth (26 percent to less than 51 percent).~~

~~(iii) The third quartile shall represent the third fourth (51 percent to less than 76 percent).~~

~~(iv) The fourth quartile shall represent the fourth fourth (76 percent to 100 percent, inclusive).~~

~~(C) The first or lowest quartile shall represent the bottom 25 percent of the census tracts with the lowest civilian unemployment and poverty rates.~~

(t) (1) Determine those census tracts that are within the lowest quartile of census tracts with the lowest civilian unemployment and poverty based on data from the five-year ACS. The census tracts that are within the lowest quartile for both civilian unemployment and poverty statistics, as determined in paragraphs (2) and (3) of subdivision (s), shall be determined to be census tracts within the lowest quartile of census tracts with the lowest civilian unemployment and poverty, as applied in subparagraph (A) of paragraph (8) of subdivision (b) of Section 17053.73 and Section 23626 of the Revenue and Taxation Code.

(2) Based on the quartiles developed pursuant to paragraph (2) of subdivision (s), the first or lowest quartile shall represent the bottom 25 percent of the census tracts with the lowest civilian unemployment rates.

(3) Based on the quartiles developed pursuant to paragraph (3) of subdivision (s), the first or lowest quartile shall represent the bottom 25 percent of the census tracts with the lowest percentage of population below poverty.

SEC. 3. Section 30061 of the Government Code is amended to read:

30061. (a) There shall be established in each county treasury a Supplemental Law Enforcement Services Account (SLESA), to receive all amounts allocated to a county for purposes of implementing this chapter.

(b) In any fiscal year for which a county receives moneys to be expended for the implementation of this chapter, the county auditor

1 shall allocate the moneys in the county's SLESA within 30 days
2 of the deposit of those moneys into the fund. The moneys shall be
3 allocated as follows:

4 (1) Five and fifteen-hundredths percent to the county sheriff for
5 county jail construction and operation. In the case of Madera,
6 Napa, and Santa Clara Counties, this allocation shall be made to
7 the county director or chief of corrections.

8 (2) Five and fifteen-hundredths percent to the district attorney
9 for criminal prosecution.

10 (3) Thirty-nine and seven-tenths percent to the county and the
11 cities within the county, and, in the case of San Mateo, Kern,
12 Siskiyou, and Contra Costa Counties, also to the Broadmoor Police
13 Protection District, the Bear Valley Community Services District,
14 the Stallion Springs Community Services District, the Lake
15 Shastina Community Services District, and the Kensington Police
16 Protection and Community Services District, in accordance with
17 the relative population of the cities within the county and the
18 unincorporated area of the county, and the Broadmoor Police
19 Protection District in the County of San Mateo, the Bear Valley
20 Community Services District and the Stallion Springs Community
21 Services District in Kern County, the Lake Shastina Community
22 Services District in Siskiyou County, and the Kensington Police
23 Protection and Community Services District in Contra Costa
24 County, as specified in the most recent January estimate by the
25 population research unit of the Department of Finance, and as
26 adjusted to provide, except as provided in subdivision (j), a grant
27 of at least one hundred thousand dollars (\$100,000) to each law
28 enforcement jurisdiction. For a newly incorporated city whose
29 population estimate is not published by the Department of Finance,
30 but that was incorporated prior to July 1 of the fiscal year in which
31 an allocation from the SLESA is to be made, the city manager, or
32 an appointee of the legislative body, if a city manager is not
33 available, and the county administrative or executive officer shall
34 prepare a joint notification to the Department of Finance and the
35 county auditor with a population estimate reduction of the
36 unincorporated area of the county equal to the population of the
37 newly incorporated city by July 15, or within 15 days after the
38 Budget Act is enacted, of the fiscal year in which an allocation
39 from the SLESA is to be made. No person residing within the
40 Broadmoor Police Protection District, the Bear Valley Community

1 Services District, the Stallion Springs Community Services District,
2 the Lake Shastina Community Services District, or the Kensington
3 Police Protection and Community Services District shall also be
4 counted as residing within the unincorporated area of the County
5 of San Mateo, Kern, Siskiyou, or Contra Costa, or within any city
6 located within those counties. Except as provided in subdivision
7 (j), the county auditor shall allocate a grant of at least one hundred
8 thousand dollars (\$100,000) to each law enforcement jurisdiction.
9 Moneys allocated to the county pursuant to this subdivision shall
10 be retained in the county SLESA, and moneys allocated to a city
11 pursuant to this subdivision shall be deposited in an SLESA
12 established in the city treasury.

13 (4) Fifty percent to the county or city and county to implement
14 a comprehensive multiagency juvenile justice plan as provided in
15 this paragraph. The juvenile justice plan shall be developed by the
16 local juvenile justice coordinating council in each county and city
17 and county with the membership described in Section 749.22 of
18 the Welfare and Institutions Code. If a plan has been previously
19 approved by the Corrections Standards Authority or, commencing
20 July 1, 2012, by the Board of State and Community Corrections,
21 the plan shall be reviewed and modified annually by the council.
22 The plan or modified plan shall be approved by the county board
23 of supervisors, and in the case of a city and county, the plan shall
24 also be approved by the mayor. The plan or modified plan shall
25 be submitted to the Board of State and Community Corrections
26 by May 1 of each year.

27 (A) Juvenile justice plans shall include, but not be limited to,
28 all of the following components:

29 (i) An assessment of existing law enforcement, probation,
30 education, mental health, health, social services, drug and alcohol,
31 and youth services resources that specifically target at-risk
32 juveniles, juvenile offenders, and their families.

33 (ii) An identification and prioritization of the neighborhoods,
34 schools, and other areas in the community that face a significant
35 public safety risk from juvenile crime, such as gang activity,
36 daylight burglary, late-night robbery, vandalism, truancy, controlled
37 substances sales, firearm-related violence, and juvenile substance
38 abuse and alcohol use.

39 (iii) A local juvenile justice action strategy that provides for a
40 continuum of responses to juvenile crime and delinquency and

1 demonstrates a collaborative and integrated approach for
2 implementing a system of swift, certain, and graduated responses
3 for at-risk youth and juvenile offenders.

4 (iv) Programs identified in clause (iii) that are proposed to be
5 funded pursuant to this subparagraph, including the projected
6 amount of funding for each program.

7 (B) Programs proposed to be funded shall satisfy all of the
8 following requirements:

9 (i) Be based on programs and approaches that have been
10 demonstrated to be effective in reducing delinquency and
11 addressing juvenile crime for any elements of response to juvenile
12 crime and delinquency, including prevention, intervention,
13 suppression, and incapacitation.

14 (ii) Collaborate and integrate services of all the resources set
15 forth in clause (i) of subparagraph (A), to the extent appropriate.

16 (iii) Employ information sharing systems to ensure that county
17 actions are fully coordinated, and designed to provide data for
18 measuring the success of juvenile justice programs and strategies.

19 (iv) Adopt goals related to the outcome measures that shall be
20 used to determine the effectiveness of the local juvenile justice
21 action strategy.

22 (C) The plan shall also identify the specific objectives of the
23 programs proposed for funding and specified outcome measures
24 to determine the effectiveness of the programs and contain an
25 accounting for all program participants, including those who do
26 not complete the programs. Outcome measures of the programs
27 proposed to be funded shall include, but not be limited to, all of
28 the following:

29 (i) The rate of juvenile arrests per 100,000 population.

30 (ii) The rate of successful completion of probation.

31 (iii) The rate of successful completion of restitution and
32 court-ordered community service responsibilities.

33 (iv) Arrest, incarceration, and probation violation rates of
34 program participants.

35 (v) Quantification of the annual per capita costs of the program.

36 (D) The Board of State and Community Corrections shall review
37 plans or modified plans submitted pursuant to this paragraph within
38 30 days upon receipt of submitted or resubmitted plans or modified
39 plans. The board shall approve only those plans or modified plans
40 that fulfill the requirements of this paragraph, and shall advise a

1 submitting county or city and county immediately upon the
2 approval of its plan or modified plan. The board shall offer, and
3 provide, if requested, technical assistance to any county or city
4 and county that submits a plan or modified plan not in compliance
5 with the requirements of this paragraph. The SLESA shall only
6 allocate funding pursuant to this paragraph upon notification from
7 the board that a plan or modified plan has been approved.

8 (E) To assess the effectiveness of programs funded pursuant to
9 this paragraph using the program outcome criteria specified in
10 subparagraph (C), the following periodic reports shall be submitted:

11 (i) Each county or city and county shall report, beginning
12 October 15, 2002, and annually each October 15 thereafter, to the
13 county board of supervisors and the Board of State and Community
14 Corrections, in a format specified by the board, on the programs
15 funded pursuant to this chapter and program outcomes as specified
16 in subparagraph (C).

17 (ii) The Board of State and Community Corrections shall
18 compile the local reports and, by March 15, 2003, and annually
19 thereafter, make a report to the Governor and the Legislature on
20 program expenditures within each county and city and county from
21 the appropriation for the purposes of this paragraph, on the
22 outcomes as specified in subparagraph (C) of the programs funded
23 pursuant to this paragraph and the statewide effectiveness of the
24 comprehensive multiagency juvenile justice plans.

25 (c) Subject to subdivision (d), for each fiscal year in which the
26 county, each city, the Broadmoor Police Protection District, the
27 Bear Valley Community Services District, the Stallion Springs
28 Community Services District, the Lake Shastina Community
29 Services District, and the Kensington Police Protection and
30 Community Services District receive moneys pursuant to paragraph
31 (3) of subdivision (b), the county, each city, and each district
32 specified in this subdivision shall appropriate those moneys in
33 accordance with the following procedures:

34 (1) In the case of the county, the county board of supervisors
35 shall appropriate existing and anticipated moneys exclusively to
36 provide frontline law enforcement services, other than those
37 services specified in paragraphs (1) and (2) of subdivision (b), in
38 the unincorporated areas of the county, in response to written
39 requests submitted to the board by the county sheriff and the district
40 attorney. Any request submitted pursuant to this paragraph shall

1 specify the frontline law enforcement needs of the requesting
2 entity, and those personnel, equipment, and programs that are
3 necessary to meet those needs.

4 (2) In the case of a city, the city council shall appropriate
5 existing and anticipated moneys exclusively to fund frontline
6 municipal police services, in accordance with written requests
7 submitted by the chief of police of that city or the chief
8 administrator of the law enforcement agency that provides police
9 services for that city.

10 (3) In the case of the Broadmoor Police Protection District
11 within the County of San Mateo, the Bear Valley Community
12 Services District or the Stallion Springs Community Services
13 District within Kern County, the Lake Shastina Community
14 Services District within Siskiyou County, or the Kensington Police
15 Protection and Community Services District within Contra Costa
16 County, the legislative body of that special district shall appropriate
17 existing and anticipated moneys exclusively to fund frontline
18 municipal police services, in accordance with written requests
19 submitted by the chief administrator of the law enforcement agency
20 that provides police services for that special district.

21 (d) For each fiscal year in which the county, a city, or the
22 Broadmoor Police Protection District within the County of San
23 Mateo, the Bear Valley Community Services District or the Stallion
24 Springs Community Services District within Kern County, the
25 Lake Shastina Community Services District within Siskiyou
26 County, or the Kensington Police Protection and Community
27 Services District within Contra Costa County receives any moneys
28 pursuant to this chapter, in no event shall the governing body of
29 any of those recipient agencies subsequently alter any previous,
30 valid appropriation by that body, for that same fiscal year, of
31 moneys allocated to the county or city pursuant to paragraph (3)
32 of subdivision (b).

33 (e) For the 2011–12 fiscal year, the Controller shall allocate
34 23.54 percent of the amount deposited in the Local Law
35 Enforcement Services Account in the Local Revenue Fund 2011
36 for the purposes of paragraphs (1), (2), and (3) of subdivision (b),
37 and shall allocate 23.54 percent for purposes of paragraph (4) of
38 subdivision (b).

39 (f) Commencing with the 2012–13 fiscal year, *subsequent to*
40 *the allocation described in subdivision (c) of Section 29552*, the

1 Controller shall allocate ~~21.86~~ 23.54363596 percent of the
2 *remaining* amount deposited in the Enhancing Law Enforcement
3 Activities Subaccount in the Local Revenue Fund 2011 for the
4 purposes of paragraphs (1) to (3), inclusive, of subdivision (b),
5 and, *subsequent to the allocation described in subdivision (c) of*
6 *Section 29552*, shall allocate ~~21.86~~ 23.54363596 percent of the
7 *remaining amount* for purposes of paragraph (4) of subdivision
8 (b).

9 (g) Commencing with the 2013–14 fiscal year, *subsequent to*
10 *the allocation described in subdivision (d) of Section 29552*, the
11 Controller shall allocate 23.54363596 percent of the remaining
12 amount deposited in the Enhancing Law Enforcement Activities
13 Subaccount in the Local Revenue Fund 2011 for the purposes of
14 paragraphs (1) to (3), inclusive, of subdivision (b), and, *subsequent*
15 *to the allocation described in subdivision (d) of Section 29552*,
16 shall allocate 23.54363596 percent of the remaining amount for
17 purposes of paragraph (4) of subdivision (b). The Controller shall
18 allocate funds in monthly installments to local jurisdictions for
19 public safety in accordance with this section as annually calculated
20 by the Director of Finance.

21 (h) Funds received pursuant to subdivision (b) shall be expended
22 or encumbered in accordance with this chapter no later than June
23 30 of the following fiscal year. A local agency that has not met
24 the requirement of this subdivision shall remit unspent SLESA
25 moneys received after April 1, 2009, to the Controller for deposit
26 in the Local Safety and Protection Account, after April 1, 2012,
27 to the Local Law Enforcement Services Account, and after July
28 1, 2012, to the County Enhancing Law Enforcement Activities
29 Subaccount.

30 (i) In the 2010–11 fiscal year, if the fourth quarter revenue
31 derived from fees imposed by subdivision (a) of Section 10752.2
32 of the Revenue and Taxation Code that are deposited in the General
33 Fund and transferred to the Local Safety and Protection Account,
34 and continuously appropriated to the Controller for allocation
35 pursuant to this section, are insufficient to provide a minimum
36 grant of one hundred thousand dollars (\$100,000) to each law
37 enforcement jurisdiction, the county auditor shall allocate the
38 revenue proportionately, based on the allocation schedule in
39 paragraph (3) of subdivision (b). The county auditor shall
40 proportionately allocate, based on the allocation schedule in

paragraph (3) of subdivision (b), all revenues received after the distribution of the fourth quarter allocation attributable to these fees for which payment was due prior to July 1, 2011, until all minimum allocations are fulfilled, at which point all remaining revenue shall be distributed proportionately among the other jurisdictions.

SEC. 4. Section 30070 of the Government Code is amended to read:

30070. (a) For the 2011–12 fiscal year, the program authorized by this chapter shall be funded from the Local Law Enforcement Services Account in the Local Revenue Fund 2011. The Controller shall, on a quarterly basis, beginning on October 1, 2011, allocate 4.07 percent of the moneys annually deposited in the Local Law Enforcement Services Account. Commencing with the 2012–13 fiscal year, the program authorized by this chapter shall be funded from the Enhancing Law Enforcement Activities Subaccount in the Local Revenue Fund 2011. ~~The Subsequent to the allocation described in subdivision (c) of Section 29552, the Controller shall allocate 3.78~~ 4.06682787 percent of the *remaining* moneys annually deposited in the Enhancing Law Enforcement Activities Subaccount in the Local Revenue Fund 2011. Commencing with the 2013–14 fiscal year, ~~funds subsequent to the allocation described in subdivision (d) of Section 29552, the Controller shall allocate 4.06682787 percent of the remaining moneys annually deposited in the Enhancing Law Enforcement Activities Subaccount in the Local Revenue Fund 2011. Funds~~ shall be allocated in monthly installments to county sheriffs’ departments to enhance law enforcement efforts in the counties specified in paragraphs (1) to (37), inclusive, according to the following schedule:

(1) Alpine County	2.7027%
(2) Amador County	2.7027%
(3) Butte County	2.7027%
(4) Calaveras County	2.7027%
(5) Colusa County	2.7027%
(6) Del Norte County	2.7027%
(7) El Dorado County	2.7027%
(8) Glenn County	2.7027%
(9) Humboldt County	2.7027%
(10) Imperial County	2.7027%

1	(11) Inyo County	2.7027%
2	(12) Kings County	2.7027%
3	(13) Lake County	2.7027%
4	(14) Lassen County	2.7027%
5	(15) Madera County	2.7027%
6	(16) Marin County	2.7027%
7	(17) Mariposa County	2.7027%
8	(18) Mendocino County	2.7027%
9	(19) Merced County	2.7027%
10	(20) Modoc County	2.7027%
11	(21) Mono County	2.7027%
12	(22) Napa County	2.7027%
13	(23) Nevada County	2.7027%
14	(24) Placer County	2.7027%
15	(25) Plumas County	2.7027%
16	(26) San Benito County	2.7027%
17	(27) San Luis Obispo County	2.7027%
18	(28) Santa Cruz County	2.7027%
19	(29) Shasta County	2.7027%
20	(30) Sierra County	2.7027%
21	(31) Siskiyou County	2.7027%
22	(32) Sutter County	2.7027%
23	(33) Tehama County	2.7027%
24	(34) Trinity County	2.7027%
25	(35) Tuolumne County	2.7027%
26	(36) Yolo County	2.7027%
27	(37) Yuba County	2.7027%

28

29 (b) Funds allocated pursuant to this section shall be used to
 30 supplement rather than supplant existing law enforcement
 31 resources.

32 (c) The funds allocated pursuant to this section may not be used
 33 for any video surveillance or monitoring of the general public.

34 *SEC. 5. Section 1231 of the Penal Code is amended to read:*

35 1231. (a) Community corrections programs funded pursuant
 36 to this act shall identify and track specific outcome-based measures
 37 consistent with the goals of this act.

38 (b) The Administrative Office of the Courts, in consultation
 39 with the Chief Probation Officers of California, shall specify and

1 define minimum required outcome-based measures, which shall
2 include, but not be limited to, all of the following:

3 (1) The percentage of persons subject to local supervision who
4 are being supervised in accordance with evidence-based practices.

5 (2) The percentage of state moneys expended for programs that
6 are evidence based, and a descriptive list of all programs that are
7 evidence based.

8 (3) Specification of supervision policies, procedures, programs,
9 and practices that were eliminated.

10 (4) The percentage of persons subject to local supervision who
11 successfully complete the period of supervision.

12 (c) Each CPO receiving funding pursuant to Sections 1233 to
13 1233.6, inclusive, shall provide an annual written report to the
14 Administrative Office of the Courts evaluating the effectiveness
15 of the community corrections program, including, but not limited
16 to, the data described in subdivision (b).

17 (d) The Administrative Office of the Courts shall, in consultation
18 with the CPO of each county and the Department of Corrections
19 and Rehabilitation, provide a quarterly statistical report to the
20 Department of Finance including, but not limited to, the following
21 statistical information for each county:

22 (1) The number of felony filings.

23 (2) The number of felony convictions.

24 (3) The number of felony convictions in which the defendant
25 was sentenced to the state prison.

26 (4) The number of felony convictions in which the defendant
27 was granted probation.

28 (5) The adult felon probation population.

29 (6) The number of felons who had their probation revoked and
30 were sent to prison for that revocation.

31 (7) The number of adult felony probationers sent to state prison
32 for a conviction of a new felony offense, including when probation
33 was revoked or terminated.

34 (8) The number of felons who had their probation revoked and
35 were sent to county jail for that revocation.

36 (9) The number of adult felony probationers sent to county jail
37 for a conviction of a new felony offense, including when probation
38 was revoked or terminated.

39 ~~(10) The number of felons who would have been subject to the~~
40 ~~sentencing provisions contained in paragraph (5) of subdivision~~

~~(h) of Section 1170 if felony probation had not been granted,
commencing January 1, 2012.~~

~~(11)~~

(10) The number of felons placed on postrelease community supervision, commencing January 1, 2012.

~~(12)~~

(11) The number of felons placed on mandatory supervision, commencing January 1, 2012.

~~(13)~~

(12) The mandatory supervision population, commencing January 1, 2012.

~~(14)~~

(13) The postrelease community supervision population, commencing January 1, 2012.

~~(15)~~

(14) The number of felons on postrelease community supervision sentenced to state prison for a conviction of a new felony offense, commencing January 1, 2012.

~~(16)~~

(15) The number of felons on mandatory supervision sentenced to state prison for a conviction of a new felony offense, commencing January 1, 2012.

~~(17)~~

(16) The number of felons who had their postrelease community supervision revoked and were sent to county jail for that revocation, commencing January 1, 2012.

~~(18)~~

(17) The number of felons on postrelease community supervision sentenced to county jail for a conviction of a new felony offense, including when postrelease community supervision was revoked or terminated, commencing January 1, 2012.

~~(19)~~

(18) The number of felons who had their mandatory supervision revoked and were sentenced to county jail for that revocation, commencing January 1, 2012.

~~(20)~~

(19) The number of felons on mandatory supervision sentenced to county jail for a conviction of a new felony offense, including when mandatory supervision was revoked or terminated, commencing January 1, 2012.

1 *SEC. 6. Section 13821 of the Penal Code is amended to read:*

2 13821. (a) For the 2011–12 fiscal year, the Controller shall
3 allocate 9 percent of the amount deposited in the Local Law
4 Enforcement Services Account in the Local Revenue Fund 2011
5 to the California Emergency Management Agency. The Controller
6 shall allocate these funds on a quarterly basis beginning on October

7 1. These funds shall be allocated by the Controller pursuant to a
8 schedule provided by the California Emergency Management
9 Agency which shall be developed according to the agency’s
10 existing programmatic guidelines and the following percentages:

11 (1) The California Multi-Jurisdictional Methamphetamine
12 Enforcement Teams shall receive 47.52 percent in the 2011–12
13 fiscal year.

14 (2) The Multi-Agency Gang Enforcement Consortium shall
15 receive 0.2 percent in the 2011–12 fiscal year.

16 (3) The Sexual Assault Felony Enforcement Teams, authorized
17 by Section 13887, shall receive 12.48 percent in the 2011–12 fiscal
18 year.

19 (4) The High Technology Theft Apprehension and Prosecution
20 Program, authorized by Section 13848.2, shall receive 26.83
21 percent in the 2011–12 fiscal year.

22 (5) The Gang Violence Suppression Program authorized by
23 Section 13826.1, shall receive 3.91 percent in the 2011–12 fiscal
24 year.

25 (6) The Central Valley and Central Coast Rural Crime
26 Prevention Programs, authorized by Sections 14170 and 14180,
27 shall receive 9.06 percent in the 2011–12 fiscal year.

28 (b) For the 2011–12 fiscal year, the California Emergency
29 Management Agency may be reimbursed up to five hundred eleven
30 thousand dollars (\$511,000) from the funds allocated in subdivision
31 (a) for program administrative costs.

32 (c) Commencing with the 2012–13 fiscal year, *subsequent to*
33 *the allocation described in subdivision (c) of Section 29552 of the*
34 *Government Code, and commencing with the 2013–14 fiscal year,*
35 *subsequent to the allocation described in subdivision (d) of Section*
36 *29552 of the Government Code, the Controller shall allocate*~~8.35~~
37 8.99758189 percent of the *remaining* amount deposited in the
38 Enhancing Law Enforcement Activities Subaccount in the Local
39 Revenue Fund 2011 and shall distribute the moneys as follows:

(1) Commencing with the 2012–13 fiscal year, the California Multi-Jurisdictional Methamphetamine Enforcement Teams shall receive ~~47.52~~ 47.52015636 percent and shall be allocated by the Controller according to the following schedule:

Alameda County	1.7109%
Alpine County	0.6327%
Amador County	0.6327%
Butte County	1.6666%
Calaveras County	0.8435%
Colusa County	0.1623%
Contra Costa County	1.3163%
Del Norte County	0.2167%
El Dorado County	1.3716%
Fresno County	5.3775%
Glenn County	0.2130%
Humboldt County	1.0198%
Imperial County	2.5510%
Inyo County	0.6327%
Kern County	5.6938%
Kings County	0.9701%
Lake County	0.6604%
Lassen County	0.2643%
Los Angeles County	5.3239%
Madera County	0.9701%
Marin County	0.6292%
Mariposa County	0.6327%
Mendocino County	0.6846%
Merced County	1.8136%
Modoc County	0.0734%
Mono County	0.6327%
Monterey County	0.9018%
Napa County	0.6803%
Nevada County	0.7482%
Orange County	1.5661%
Placer County	2.6395%
Plumas County	0.1516%
Riverside County	5.6395%
Sacramento County	10.0169%

San Benito County	0.8404%
San Bernardino County	8.9364%
San Diego County	2.5510%
San Francisco County	1.0034%
San Joaquin County	4.6394%
San Luis Obispo County	1.3483%
San Mateo County	1.1224%
Santa Barbara County	1.3483%
Santa Clara County	2.0612%
Santa Cruz County	0.8333%
Shasta County	1.3426%
Sierra County	0.0245%
Siskiyou County	0.3401%
Solano County	1.8979%
Sonoma County	1.1610%
Stanislaus County	3.6272%
Sutter County	0.7177%
Tehama County	0.4808%
Trinity County	0.1044%
Tulare County	2.5306%
Tuolumne County	0.6327%
Ventura County	1.3483%
Yolo County	1.5215%
Yuba County	0.5466%

(2) Commencing with the 2013–14 fiscal year, the California Multi-Jurisdictional Methamphetamine Enforcement Teams shall receive ~~47.52~~ 47.52015636 percent and shall be allocated in monthly installments by the Controller according to the following schedule:

Alameda County	1.7109%
Alpine County	0.6327%
Amador County	0.6327%
Butte County	1.6666%
Calaveras County	0.8435%
Colusa County	0.1623%
Contra Costa County	1.3163%
Del Norte County	0.2167%

1	El Dorado County	1.3716%
2	Fresno County	5.3775%
3	Glenn County	0.2130%
4	Humboldt County	1.0198%
5	Imperial County	2.5510%
6	Inyo County	0.6327%
7	Kern County	5.6938%
8	Kings County	0.9701%
9	Lake County	0.6604%
10	Lassen County	0.2643%
11	Los Angeles County	5.3239%
12	Madera County	0.9701%
13	Marin County	0.6292%
14	Mariposa County	0.6327%
15	Mendocino County	0.6846%
16	Merced County	1.8136%
17	Modoc County	0.0734%
18	Mono County	0.6327%
19	Monterey County	0.9018%
20	Napa County	0.6803%
21	Nevada County	0.7482%
22	Orange County	1.5661%
23	Placer County	2.6395%
24	Plumas County	0.1516%
25	Riverside County	5.6395%
26	Sacramento County	10.0169%
27	San Benito County	0.8404%
28	San Bernardino County	8.9364%
29	San Diego County	2.5510%
30	San Francisco County	1.0034%
31	San Joaquin County	4.6394%
32	San Luis Obispo County	1.3483%
33	San Mateo County	1.1224%
34	Santa Barbara County	1.3483%
35	Santa Clara County	2.0612%
36	Santa Cruz County	0.8333%
37	Shasta County	1.3426%
38	Sierra County	0.0245%
39		

Siskiyou County	0.3401%
Solano County	1.8979%
Sonoma County	1.1610%
Stanislaus County	3.6272%
Sutter County	0.7177%
Tehama County	0.4808%
Trinity County	0.1044%
Tulare County	2.5306%
Tuolumne County	0.6327%
Ventura County	1.3483%
Yolo County	1.5215%
Yuba County	0.5466%

(3) Commencing with the 2012–13 fiscal year, the Multi-Agency Gang Enforcement Consortium shall receive ~~0.2~~ 0.19545566 percent and shall be allocated by the Controller to Fresno County.

(4) Commencing with the 2013–14 fiscal year, the Multi-Agency Gang Enforcement Consortium shall receive ~~0.2~~ 0.19545566 percent and shall be allocated in monthly installments by the Controller to Fresno County.

(5) Commencing with the 2012–13 fiscal year, the Sexual Assault Felony Enforcement Teams, authorized by Section 13887, shall receive ~~12.48~~ 12.48473003 percent and shall be allocated by the Controller according to the following schedule:

Los Angeles County	21.0294%
Riverside County	12.8778%
Sacramento County	14.0198%
San Luis Obispo County	12.0168%
Santa Clara County	17.0238%
Shasta County	12.0168%
Tulare County	11.0156%

(6) Commencing with the 2013–14 fiscal year, the Sexual Assault Felony Enforcement Teams, authorized by Section 13887, shall receive ~~12.48~~ 12.48473003 percent and shall be allocated by the Controller in monthly installments according to the following schedule:

Los Angeles County	21.0294%
Riverside County	12.8778%
Sacramento County	14.0198%
San Luis Obispo County	12.0168%
Santa Clara County	17.0238%
Shasta County	12.0168%
Tulare County	11.0156%

(7) Commencing with the 2012–13 fiscal year, the High Technology Theft Apprehension and Prosecution Program, authorized by Section 13848.2, shall receive ~~26.83~~ 26.82628879 percent and shall be allocated by the Controller according to the following schedule:

Los Angeles County	18.25%
Marin County	18.25%
Marin County, for use by the Department of Justice in implementing subdivision (b) of Section 13848.4	7.00%
Marin County, for use by the California District Attorneys Association in implementing subdivision (b) of Section 13848.4	1.75%
Sacramento County	18.25%
San Diego County	18.25%
Santa Clara County	18.25%

(8) Commencing with the 2013–14 fiscal year, the High Technology Theft Apprehension and Prosecution Program, authorized by Section 13848.2, shall receive ~~26.83~~ 26.82628879 percent and shall be allocated by the Controller in monthly installments according to the following schedule:

Los Angeles County	18.25%
Marin County	18.25%
Marin County, for use by the Department of Justice in implementing subdivision (b) of Section 13848.4	7.00%
Marin County, for use by the California District Attorneys Association in implementing subdivision (b) of Section 13848.4	1.75%
Sacramento County	18.25%

San Diego County	18.25%
Santa Clara County	18.25%

(9) Commencing with the 2012–13 fiscal year, the Gang Violence Suppression Program, authorized by Section 13826.1, shall receive ~~3.94~~ 3.90911312 percent and shall be allocated by the Controller according to the following schedule:

Alameda County	9.6775%
Los Angeles County	22.5808%
Monterey County	9.6775%
Napa County	17.7417%
City of Oxnard	17.7417%
City of Sacramento	22.5808%

(10) Commencing with the 2013–14 fiscal year, the Gang Violence Suppression Program, authorized by Section 13826.1, shall receive ~~3.94~~ 3.90911312 percent and shall be allocated by the Controller in monthly installments according to the following schedule:

Alameda County	9.6775%
Los Angeles County	22.5808%
Monterey County	9.6775%
Napa County	17.7417%
City of Oxnard	17.7417%
City of Sacramento	22.5808%

(11) Commencing with the 2012–13 fiscal year, the Central Valley and Central Coast Rural Crime Prevention Programs, authorized by Sections 14170 and 14180, shall receive ~~9.06~~ 9.06425605 percent and shall be allocated by the Controller according to the following schedule:

Fresno County	18.5588%
Kern County	13.7173%
Kings County	6.8587%
Madera County	4.4380%
Merced County	6.8587%

Monterey County	7.2411%
San Benito County	4.8273%
San Joaquin County	6.8587%
San Luis Obispo County	2.1723%
Santa Barbara County	3.6206%
Santa Cruz County	1.4482%
Stanislaus County	6.8587%
Tulare County	16.5415%

(12) Commencing with the 2013–14 fiscal year, the Central Valley and Central Coast Rural Crime Prevention Programs, authorized by Sections 14170 and 14180, shall receive ~~9.06~~ 9.06425605 percent and shall be allocated by the Controller in monthly installments according to the following schedule:

Fresno County	18.5588%
Kern County	13.7173%
Kings County	6.8587%
Madera County	4.4380%
Merced County	6.8587%
Monterey County	7.2411%
San Benito County	4.8273%
San Joaquin County	6.8587%
San Luis Obispo County	2.1723%
Santa Barbara County	3.6206%
Santa Cruz County	1.4482%
Stanislaus County	6.8587%
Tulare County	16.5415%

(d) For any of the programs described in this section, funding will be distributed by local agencies as would otherwise have occurred pursuant to Section 1 of Chapter 13 of the Statutes of 2011, First Extraordinary Session.

SEC. 7. Section 17053.33 of the Revenue and Taxation Code is amended to read:

17053.33. (a) For each taxable year beginning on or after January 1, 1998, and before January 1, 2014, there shall be allowed as a credit against the “net tax” (as defined in Section 17039) for the taxable year an amount equal to the sales or use tax paid or

1 incurred during the taxable year by the qualified taxpayer in
2 connection with the qualified taxpayer's purchase of qualified
3 property before January 1, 2014.

4 (b) For purposes of this section:

5 (1) "Qualified property" means property that meets all of the
6 following requirements:

7 (A) Is any of the following:

8 (i) Machinery and machinery parts used for fabricating,
9 processing, assembling, and manufacturing.

10 (ii) Machinery and machinery parts used for the production of
11 renewable energy resources.

12 (iii) Machinery and machinery parts used for either of the
13 following:

14 (I) Air pollution control mechanisms.

15 (II) Water pollution control mechanisms.

16 (iv) Data-processing and communications equipment, such as
17 computers, computer-automated drafting systems, copy machines,
18 telephone systems, and faxes.

19 (v) Motion picture manufacturing equipment central to
20 production and postproduction, such as cameras, audio recorders,
21 and digital image and sound processing equipment.

22 (B) The total cost of qualified property purchased and placed
23 in service in any taxable year that may be taken into account by
24 any qualified taxpayer for purposes of claiming this credit shall
25 not exceed one million dollars (\$1,000,000).

26 (C) The qualified property is used by the qualified taxpayer
27 exclusively in a targeted tax area, *or in the case of a targeted tax*
28 *area that was repealed by Chapter 69 of the Statutes of 2013, the*
29 *area designated as a targeted tax area immediately prior to the*
30 *repeal.*

31 (D) *The qualified property is purchased before the date the*
32 *targeted tax area designation expires, is revoked, is no longer*
33 *binding, becomes inoperative, or is repealed.*

34 ~~(D)~~

35 (E) The qualified property is purchased and placed in service
36 before the date the targeted tax area designation expires, is revoked,
37 is no longer binding, or becomes inoperative *January 1, 2015.*

38 (2) (A) "Qualified taxpayer" means a person or entity that meets
39 both of the following:

1 (i) Is engaged in a trade or business within a targeted tax area
2 designated pursuant to Chapter 12.93 (commencing with Section
3 7097) of Division 7 of Title 1 of the Government Code.

4 (ii) Is engaged in those lines of business described in Codes
5 2000 to 2099, inclusive; 2200 to 3999, inclusive; 4200 to 4299,
6 inclusive; 4500 to 4599, inclusive; and 4700 to 5199, inclusive,
7 of the Standard Industrial Classification (SIC) Manual published
8 by the United States Office of Management and Budget, 1987
9 edition.

10 (B) In the case of any pass-through entity, the determination of
11 whether a taxpayer is a qualified taxpayer under this section shall
12 be made at the entity level and any credit under this section or
13 Section 23633 shall be allowed to the pass-through entity and
14 passed through to the partners or shareholders in accordance with
15 applicable provisions of this part or Part 11 (commencing with
16 Section 23001). For purposes of this subparagraph, the term
17 “pass-through entity” means any partnership or S corporation.

18 (3) “Targeted tax area” means the area designated pursuant to
19 Chapter 12.93 (commencing with Section 7097) of Division 7 of
20 Title 1 of the Government Code *as it read on July 11, 2013*.

21 (c) If the qualified taxpayer is allowed a credit for qualified
22 property pursuant to this section, only one credit shall be allowed
23 to the taxpayer under this part with respect to that qualified
24 property.

25 (d) If the qualified taxpayer has purchased property upon which
26 a use tax has been paid or incurred, the credit provided by this
27 section shall be allowed only if qualified property of a comparable
28 quality and price is not timely available for purchase in this state.

29 (e) In the case where the credit otherwise allowed under this
30 section exceeds the “net tax” for the taxable year, that portion of
31 the credit that exceeds the “net tax” may be carried over and added
32 to the credit, if any, in the succeeding 10 taxable years, if necessary,
33 until the credit is exhausted. The credit shall be applied first to the
34 earliest taxable years possible.

35 (f) Any qualified taxpayer who elects to be subject to this section
36 shall not be entitled to increase the basis of the qualified property
37 as otherwise required by Section 164(a) of the Internal Revenue
38 Code with respect to sales or use tax paid or incurred in connection
39 with the qualified taxpayer’s purchase of qualified property.

(g) (1) The amount of the credit otherwise allowed under this section and Section 17053.34, including any credit carryover from prior years, that may reduce the “net tax” for the taxable year shall not exceed the amount of tax that would be imposed on the qualified taxpayer’s business income attributable to the targeted tax area determined as if that attributable income represented all of the income of the qualified taxpayer subject to tax under this part.

(2) Attributable income shall be that portion of the taxpayer’s California source business income that is apportioned to the targeted tax area. For that purpose, the taxpayer’s business income attributable to sources in this state first shall be determined in accordance with Chapter 17 (commencing with Section 25101) of Part 11. That business income shall be further apportioned to the targeted tax area in accordance with Article 2 (commencing with Section 25120) of Chapter 17 of Part 11, modified for purposes of this section in accordance with paragraph (3).

(3) Business income shall be apportioned to the targeted tax area by multiplying the total California business income of the taxpayer by a fraction, the numerator of which is the property factor plus the payroll factor, and the denominator of which is two. For purposes of this paragraph:

(A) The property factor is a fraction, the numerator of which is the average value of the taxpayer’s real and tangible personal property owned or rented and used in the targeted tax area during the taxable year, and the denominator of which is the average value of all the taxpayer’s real and tangible personal property owned or rented and used in this state during the taxable year.

(B) The payroll factor is a fraction, the numerator of which is the total amount paid by the taxpayer in the targeted tax area during the taxable year for compensation, and the denominator of which is the total compensation paid by the taxpayer in this state during the taxable year.

(4) The portion of any credit remaining, if any, after application of this subdivision, shall be carried over to succeeding taxable years, if necessary, until the credit is exhausted, as if it were an amount exceeding the “net tax” for the taxable year, as provided in subdivision (e). However, the portion of any credit remaining for carryover to taxable years beginning on or after January 1, 2014, if any, after application of this subdivision, shall be carried

over only to the succeeding 10 taxable years if necessary, until the credit is exhausted, as if it were an amount exceeding the “net tax” for the taxable year, as provided in subdivision (e).

(5) In the event that a credit carryover is allowable under subdivision (e) for any taxable year after the targeted tax area designation has expired, has been revoked, is no longer binding, or has become inoperative, the targeted tax area shall be deemed to remain in existence for purposes of computing the limitation specified in this subdivision.

(h) The amendments made to this section by the act adding this subdivision shall apply to taxable years beginning on or after January 1, 1998.

(i) This section is repealed on December 1, ~~2014~~ 2015.

SEC. 8. Section 17053.70 of the Revenue and Taxation Code is amended to read:

17053.70. (a) There shall be allowed as a credit against the “net tax” (as defined in Section 17039) for the taxable year an amount equal to the sales or use tax paid or incurred during the taxable year by the taxpayer in connection with the taxpayer’s purchase of qualified property before January 1, 2014.

(b) For purposes of this section:

(1) “Taxpayer” means a person or entity engaged in a trade or business within an enterprise zone.

(2) “Qualified property” means:

(A) Any of the following:

(i) Machinery and machinery parts used for fabricating, processing, assembling, and manufacturing.

(ii) Machinery and machinery parts used for the production of renewable energy resources.

(iii) Machinery and machinery parts used for either of the following:

(I) Air pollution control mechanisms.

(II) Water pollution control mechanisms.

(iv) Data processing and communications equipment, including, but not limited, to computers, computer-automated drafting systems, copy machines, telephone systems, and faxes.

(v) Motion picture manufacturing equipment central to production and postproduction, including, but not limited to, cameras, audio recorders, and digital image and sound processing equipment.

(B) The total cost of qualified property purchased and placed in service in any taxable year that may be taken into account by any taxpayer for purposes of claiming this credit shall not exceed one million dollars (\$1,000,000).

(C) The qualified property is used by the taxpayer exclusively in an enterprise ~~zone~~ *zone, or in the case of an enterprise zone that was repealed by Chapter 69 of the Statutes of 2013, the area designated as an enterprise zone immediately prior to the repeal.*

(D) *The qualified property is purchased before the date the enterprise zone designation expires, is revoked, is no longer binding, becomes inoperative, or is repealed.*

~~(D)~~
(E) The qualified property is ~~purchased and~~ placed in service before ~~the date the enterprise zone designation expires, is no longer binding, or becomes inoperative~~ *January 1, 2015.*

(3) “Enterprise zone” means the area designated as an enterprise zone pursuant to Chapter 12.8 (commencing with Section 7070) of Division 7 of Title 1 of the Government Code as it read on ~~the effective date of the act amending this section~~ *July 11, 2013.*

(c) If the taxpayer has purchased property upon which a use tax has been paid or incurred, the credit provided by this section shall be allowed only if qualified property of a comparable quality and price is not timely available for purchase in this state.

(d) In the case where the credit otherwise allowed under this section exceeds the “net tax” for the taxable year, that portion of the credit that exceeds the “net tax” may be carried over and added to the credit, if any, in the succeeding 10 taxable years, if necessary, until the credit is exhausted. The credit shall be applied first to the earliest taxable years possible.

(e) Any taxpayer that elects to be subject to this section shall not be entitled to increase the basis of the qualified property as otherwise required by Section 164(a) of the Internal Revenue Code with respect to sales or use tax paid or incurred in connection with the taxpayer’s purchase of qualified property.

(f) (1) The amount of the credit otherwise allowed under this section and Section 17053.74, including any credit carryover from prior years, that may reduce the “net tax” for the taxable year shall not exceed the amount of tax that would be imposed on the taxpayer’s business income attributable to the enterprise zone

1 determined as if that attributable income represented all of the
2 income of the taxpayer subject to tax under this part.

3 (2) Attributable income shall be that portion of the taxpayer's
4 California source business income that is apportioned to the
5 enterprise zone. For that purpose, the taxpayer's business income
6 attributable to sources in this state first shall be determined in
7 accordance with Chapter 17 (commencing with Section 25101) of
8 Part 11. That business income shall be further apportioned to the
9 enterprise zone in accordance with Article 2 (commencing with
10 Section 25120) of Chapter 17 of Part 11, modified for purposes
11 of this section in accordance with paragraph (3).

12 (3) Business income shall be apportioned to the enterprise zone
13 by multiplying the total California business income of the taxpayer
14 by a fraction, the numerator of which is the property factor plus
15 the payroll factor, and the denominator of which is two. For
16 purposes of this paragraph:

17 (A) The property factor is a fraction, the numerator of which is
18 the average value of the taxpayer's real and tangible personal
19 property owned or rented and used in the enterprise zone during
20 the taxable year, and the denominator of which is the average value
21 of all the taxpayer's real and tangible personal property owned or
22 rented and used in this state during the taxable year.

23 (B) The payroll factor is a fraction, the numerator of which is
24 the total amount paid by the taxpayer in the enterprise zone during
25 the taxable year for compensation, and the denominator of which
26 is the total compensation paid by the taxpayer in this state during
27 the taxable year.

28 (4) The portion of any credit remaining, if any, after application
29 of this subdivision, shall be carried over to succeeding taxable
30 years, if necessary, until the credit is exhausted, as if it were an
31 amount exceeding the "net tax" for the taxable year, as provided
32 in subdivision (d). However, the portion of any credit remaining
33 for carryover to taxable years beginning on or after January 1,
34 2014, if any, after application of this subdivision, shall be carried
35 over only to the succeeding 10 taxable years, if necessary, until
36 the credit is exhausted, as if it were an amount exceeding the "net
37 tax" for the taxable year, as provided in subdivision (d).

38 (g) The amendments made to this section by the act adding this
39 subdivision shall apply to taxable years beginning on or after
40 January 1, 1998.

(h) This section is repealed on ~~December 1, 2014~~ *December 1, 2015*.

SEC. 9. Section 18410.2 of the Revenue and Taxation Code is amended to read:

18410.2. (a) The California Competes Tax Credit Committee is hereby established. The committee shall consist of the Treasurer, the Director of Finance, and the Director of the Governor's Office of Business and Economic Development, *who shall serve as chair of the committee*, or their designated representatives, and one appointee each ~~from the Senate and the Assembly by the Speaker of the Assembly and the Senate Committee on Rules. A member of the Legislature shall not be appointed.~~

(b) For purposes of Sections 17059.2 and 23689, the California Competes Tax Credit Committee shall do all of the following:

(1) Approve or reject any written agreement for a tax credit allocation by resolution at a duly noticed public meeting held in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), but only after receipt of the fully executed written agreement between the taxpayer and the Governor's Office of Business and Economic Development.

(2) Approve or reject any recommendation to recapture, in whole or in part, a tax credit allocation by resolution at a duly noticed public meeting held in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), but only after receipt of the recommendation from the Governor's Office of Business and Economic Development pursuant to the terms of the fully executed written agreement.

SEC. 10. Section 23612.2 of the Revenue and Taxation Code is amended to read:

23612.2. (a) There shall be allowed as a credit against the "tax" (as defined by Section 23036) for the taxable year an amount equal to the sales or use tax paid or incurred during the taxable year by the taxpayer in connection with the taxpayer's purchase of qualified property before January 1, 2014.

(b) For purposes of this section:

(1) "Taxpayer" means a corporation engaged in a trade or business within an enterprise zone.

1 (2) “Qualified property” means:

2 (A) Any of the following:

3 (i) Machinery and machinery parts used for fabricating,
4 processing, assembling, and manufacturing.

5 (ii) Machinery and machinery parts used for the production of
6 renewable energy resources.

7 (iii) Machinery and machinery parts used for either of the
8 following:

9 (I) Air pollution control mechanisms.

10 (II) Water pollution control mechanisms.

11 (iv) Data-processing and communications equipment, including,
12 but not limited to, computers, computer-automated drafting
13 systems, copy machines, telephone systems, and faxes.

14 (v) Motion picture manufacturing equipment central to
15 production and postproduction, including, but not limited to,
16 cameras, audio recorders, and digital image and sound processing
17 equipment.

18 (B) The total cost of qualified property purchased and placed
19 in service in any taxable year that may be taken into account by
20 any taxpayer for purposes of claiming this credit shall not exceed
21 twenty million dollars (\$20,000,000).

22 (C) The qualified property is used by the taxpayer exclusively
23 in an enterprise ~~zone~~ *zone, or in the case of an enterprise zone that*
24 *was repealed by Chapter 69 of the Statutes of 2013, the area*
25 *designated as an enterprise zone immediately prior to the repeal.*

26 (D) *The qualified property is purchased before the date the*
27 *enterprise zone designation expires, is revoked, is no longer*
28 *binding, becomes inoperative, or is repealed.*

29 ~~(D)~~

30 (E) ~~The qualified property is purchased and placed in service~~
31 ~~before the date the enterprise zone designation expires, is no longer~~
32 ~~binding, or becomes inoperative January 1, 2015.~~

33 (3) “Enterprise zone” means the area designated as an enterprise
34 zone pursuant to Chapter 12.8 (commencing with Section 7070)
35 of Division 7 of Title 1 of the Government Code as it read on the
36 ~~effective date of the act amending this section~~ *July 11, 2013.*

37 (c) If the taxpayer has purchased property upon which a use tax
38 has been paid or incurred, the credit provided by this section shall
39 be allowed only if qualified property of a comparable quality and
40 price is not timely available for purchase in this state.

1 (d) In the case where the credit otherwise allowed under this
2 section exceeds the “tax” for the taxable year, that portion of the
3 credit which exceeds the “tax” may be carried over and added to
4 the credit, if any, in the succeeding 10 taxable years if necessary,
5 until the credit is exhausted. The credit shall be applied first to the
6 earliest taxable years possible.

7 (e) Any taxpayer that elects to be subject to this section shall
8 not be entitled to increase the basis of the qualified property as
9 otherwise required by Section 164(a) of the Internal Revenue Code
10 with respect to sales or use tax paid or incurred in connection with
11 the taxpayer’s purchase of qualified property.

12 (f) (1) The amount of credit otherwise allowed under this
13 section and Section 23622.7, including any credit carryover from
14 prior years, that may reduce the “tax” for the taxable year shall
15 not exceed the amount of tax which would be imposed on the
16 taxpayer’s business income attributable to the enterprise zone
17 determined as if that attributable income represented all of the
18 income of the taxpayer subject to tax under this part.

19 (2) Attributable income shall be that portion of the taxpayer’s
20 California source business income that is apportioned to the
21 enterprise zone. For that purpose, the taxpayer’s business income
22 attributable to sources in this state first shall be determined in
23 accordance with Chapter 17 (commencing with Section 25101).
24 That business income shall be further apportioned to the enterprise
25 zone in accordance with Article 2 (commencing with Section
26 25120) of Chapter 17, modified for purposes of this section in
27 accordance with paragraph (3).

28 (3) Business income shall be apportioned to the enterprise zone
29 by multiplying the total California business income of the taxpayer
30 by a fraction, the numerator of which is the property factor plus
31 the payroll factor, and the denominator of which is two. For
32 purposes of this paragraph:

33 (A) The property factor is a fraction, the numerator of which is
34 the average value of the taxpayer’s real and tangible personal
35 property owned or rented and used in the enterprise zone during
36 the taxable year, and the denominator of which is the average value
37 of all the taxpayer’s real and tangible personal property owned or
38 rented and used in this state during the taxable year.

39 (B) The payroll factor is a fraction, the numerator of which is
40 the total amount paid by the taxpayer in the enterprise zone during

1 the taxable year for compensation, and the denominator of which
2 is the total compensation paid by the taxpayer in this state during
3 the taxable year.

4 (4) The portion of any credit remaining, if any, after application
5 of this subdivision, shall be carried over to succeeding taxable
6 years if necessary, until the credit is exhausted, as if it were an
7 amount exceeding the “tax” for the taxable year, as provided in
8 subdivision (d). However, the portion of any credit remaining for
9 carryover to taxable years beginning on January 1, 2014, if any,
10 after application of this subdivision, shall be carried over only to
11 the succeeding 10 taxable years if necessary, until the credit is
12 exhausted, as if it were an amount exceeding the “tax” for the
13 taxable year, as provided in subdivision (d).

14 (g) The amendments made to this section by the act adding this
15 subdivision shall apply to taxable years beginning on or after
16 January 1, 1998.

17 (h) This section is repealed on ~~December 1, 2014~~ *December 1,*
18 *2015.*

19 *SEC. 11. Section 23633 of the Revenue and Taxation Code is*
20 *amended to read:*

21 23633. (a) For each taxable year beginning on or after January
22 1, 1998, and before January 1, 2014, there shall be allowed as a
23 credit against the “tax” (as defined by Section 23036) for the
24 taxable year an amount equal to the sales or use tax paid or incurred
25 during the taxable year by the qualified taxpayer in connection
26 with the qualified taxpayer’s purchase of qualified property before
27 January 1, 2014.

28 (b) For purposes of this section:

29 (1) “Qualified property” means property that meets all of the
30 following requirements:

31 (A) Is any of the following:

32 (i) Machinery and machinery parts used for fabricating,
33 processing, assembling, and manufacturing.

34 (ii) Machinery and machinery parts used for the production of
35 renewable energy resources.

36 (iii) Machinery and machinery parts used for either of the
37 following:

38 (I) Air pollution control mechanisms.

39 (II) Water pollution control mechanisms.

(iv) Data-processing and communications equipment, such as computers, computer-automated drafting systems, copy machines, telephone systems, and faxes.

(v) Motion picture manufacturing equipment central to production and postproduction, such as cameras, audio recorders, and digital image and sound processing equipment.

(B) The total cost of qualified property purchased and placed in service in any taxable year that may be taken into account by any qualified taxpayer for purposes of claiming this credit shall not exceed twenty million dollars (\$20,000,000).

(C) The qualified property is used by the qualified taxpayer exclusively in a targeted tax area, *or in the case of a targeted tax area that was repealed by Chapter 69 of the Statutes of 2013, the area designated as a targeted tax area immediately prior to the repeal.*

(D) The qualified property is purchased before the date the targeted tax area designation expires, is revoked, is no longer binding, becomes inoperative, or is repealed.

~~(D)~~

~~(E) The qualified property is purchased and placed in service before the date the targeted tax area designation expires, is revoked, is no longer binding, or becomes inoperative January 1, 2015.~~

(2) (A) “Qualified taxpayer” means a corporation that meets both of the following:

(i) Is engaged in a trade or business within a targeted tax area designated pursuant to Chapter 12.93 (commencing with Section 7097) of Division 7 of Title 1 of the Government Code.

(ii) Is engaged in those lines of business described in Codes 2000 to 2099, inclusive; 2200 to 3999, inclusive; 4200 to 4299, inclusive; 4500 to 4599, inclusive; and 4700 to 5199, inclusive, of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

(B) In the case of any pass-through entity, the determination of whether a taxpayer is a qualified taxpayer under this section shall be made at the entity level and any credit under this section or Section 17053.33 shall be allowed to the pass-through entity and passed through to the partners or shareholders in accordance with applicable provisions of this part or Part 10 (commencing with

1 Section 17001). For purposes of this subparagraph, the term
2 “pass-through entity” means any partnership or S corporation.

3 (3) “Targeted tax area” means the area designated pursuant to
4 Chapter 12.93 (commencing with Section 7097) of Division 7 of
5 Title 1 of the Government Code *as it read on July 11, 2013*.

6 (c) If the qualified taxpayer is allowed a credit for qualified
7 property pursuant to this section, only one credit shall be allowed
8 to the taxpayer under this part with respect to that qualified
9 property.

10 (d) If the qualified taxpayer has purchased property upon which
11 a use tax has been paid or incurred, the credit provided by this
12 section shall be allowed only if qualified property of a comparable
13 quality and price is not timely available for purchase in this state.

14 (e) In the case where the credit otherwise allowed under this
15 section exceeds the “tax” for the taxable year, that portion of the
16 credit that exceeds the “tax” may be carried over and added to the
17 credit, if any, in the succeeding 10 taxable years, if necessary, until
18 the credit is exhausted. The credit shall be applied first to the
19 earliest taxable years possible.

20 (f) Any qualified taxpayer who elects to be subject to this section
21 shall not be entitled to increase the basis of the qualified property
22 as otherwise required by Section 164(a) of the Internal Revenue
23 Code with respect to sales or use tax paid or incurred in connection
24 with the qualified taxpayer’s purchase of qualified property.

25 (g) (1) The amount of credit otherwise allowed under this
26 section and Section 23634, including any credit carryover from
27 prior years, that may reduce the “tax” for the taxable year shall
28 not exceed the amount of tax that would be imposed on the
29 qualified taxpayer’s business income attributable to the targeted
30 tax area determined as if that attributable income represented all
31 of the income of the qualified taxpayer subject to tax under this
32 part.

33 (2) Attributable income shall be that portion of the taxpayer’s
34 California source business income that is apportioned to the
35 targeted tax area. For that purpose, the taxpayer’s business income
36 attributable to sources in this state first shall be determined in
37 accordance with Chapter 17 (commencing with Section 25101).
38 That business income shall be further apportioned to the targeted
39 tax area in accordance with Article 2 (commencing with Section

25120) of Chapter 17, modified for purposes of this section in accordance with paragraph (3).

(3) Business income shall be apportioned to the targeted tax area by multiplying the total California business income of the taxpayer by a fraction, the numerator of which is the property factor plus the payroll factor, and the denominator of which is two.

For purposes of this paragraph:

(A) The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in the targeted tax area during the taxable year and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned or rented and used in this state during the taxable year.

(B) The payroll factor is a fraction, the numerator of which is the total amount paid by the taxpayer in the targeted tax area during the taxable year for compensation, and the denominator of which is the total compensation paid by the taxpayer in this state during the taxable year.

(4) The portion of any credit remaining, if any, after application of this subdivision, shall be carried over to succeeding taxable years, if necessary, until the credit is exhausted, as if it were an amount exceeding the "tax" for the taxable year, as provided in subdivision (e). However, the portion of any credit remaining for carryover to taxable years beginning on or after January 1, 2014, if any, after application of this subdivision, shall be carried over only to the succeeding 10 taxable years if necessary, until the credit is exhausted, as if it were an amount exceeding the "tax" for the taxable year, as provided in subdivision (e).

(5) In the event that a credit carryover is allowable under subdivision (e) for any taxable year after the targeted tax area designation has expired, has been revoked, is no longer binding, or has become inoperative, the targeted tax area shall be deemed to remain in existence for purposes of computing the limitation specified in this subdivision.

(h) The changes made to this section by the act adding this subdivision shall apply to taxable years beginning on or after January 1, 1998.

(i) This section is repealed on December 1, ~~2014~~ 2015.

SEC. 12. Section 1403 of the Welfare and Institutions Code is amended to read:

1403. This chapter shall remain in effect only until January 1, 2014 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014 2016, deletes or extends that date.

SEC. 13. Section 18220 of the Welfare and Institutions Code is amended to read:

18220. (a) For the 2011–12 fiscal year, the Controller shall allocate 33.38 percent of the funds deposited in the Local Law Enforcement Services Account in the Local Revenue Fund 2011 for purposes of Section 18221.

(b) (1) Commencing with the 2012–13 fiscal year, *subsequent to the allocation described in subdivision (c) of Section 29552 of the Government Code*, the Controller shall allocate ~~30.99~~ 33.37876457 percent of the *remaining* funds deposited in the Enhancing Law Enforcement Activities Subaccount in the Local Revenue Fund 2011 according to the schedule in subdivision (c), for purposes of Section 18221.

(2) Commencing with the 2013–14 fiscal year, *subsequent to the allocation described in subdivision (d) of Section 29552 of the Government Code* the Controller shall allocate 33.37876457 percent of the *remaining* funds deposited in the Enhancing Law Enforcement Activities Subaccount in the Local Revenue Fund 2011, in monthly installments, ~~the funds specified in paragraph (1) in accordance with~~ according to the schedule in subdivision (c), for purposes of Section 18221.

(c) The Controller shall allocate funds to local jurisdictions to support juvenile probation activities according to the following schedule:

Alameda County.....	3.9522%
Alpine County.....	0.0004%
Amador County.....	0.0597%
Butte County.....	0.3193%
Calaveras County.....	0.0611%
Colusa County.....	0.0341%
Contra Costa County.....	2.6634%
Del Norte County.....	0.1170%
El Dorado County.....	0.3016%
Fresno County.....	2.1547%
Glenn County.....	0.0536%

1	Humboldt County.....	0.1696%
2	Imperial County.....	0.3393%
3	Inyo County.....	0.1432%
4	Kern County.....	2.5687%
5	Kings County.....	0.3839%
6	Lake County.....	0.1866%
7	Lassen County.....	0.0543%
8	Los Angeles County.....	40.1353%
9	Madera County.....	0.2399%
10	Marin County.....	0.3742%
11	Mariposa County.....	0.0133%
12	Mendocino County.....	0.1975%
13	Merced County.....	0.3464%
14	Modoc County.....	0.0213%
15	Mono County.....	0.0071%
16	Monterey County.....	0.6039%
17	Napa County.....	0.3520%
18	Nevada County.....	0.1244%
19	Orange County.....	8.4582%
20	Placer County.....	0.2667%
21	Plumas County.....	0.0273%
22	Riverside County.....	3.2234%
23	Sacramento County.....	2.1350%
24	San Benito County.....	0.2136%
25	San Bernardino County.....	3.4715%
26	San Diego County.....	5.6095%
27	San Francisco County.....	1.9161%
28	San Joaquin County.....	0.8854%
29	San Luis Obispo County.....	0.6007%
30	San Mateo County.....	1.8974%
31	Santa Barbara County.....	1.6561%
32	Santa Clara County.....	5.8082%
33	Santa Cruz County.....	0.6128%
34	Shasta County.....	0.4116%
35	Sierra County.....	0.0037%
36	Siskiyou County.....	0.0750%
37	Solano County.....	1.0363%
38	Sonoma County.....	1.3043%
39	Stanislaus County.....	0.5275%
40	Sutter County.....	0.1344%

1	Tehama County.....	0.1444%
2	Trinity County.....	0.0346%
3	Tulare County.....	1.4116%
4	Tuolumne County.....	0.0706%
5	Ventura County.....	1.7193%
6	Yolo County.....	0.2543%
7	Yuba County.....	0.1125%

8
9
10 *SEC. 14. Section 18220.1 of the Welfare and Institutions Code*
11 *is amended to read:*

12 18220.1. (a) For the 2011–12 fiscal year, the Controller shall,
13 on a quarterly basis beginning October 1, allocate 6.47 percent of
14 the funds deposited in the Local Law Enforcement Services
15 Account in the Local Revenue Fund 2011 pursuant to a schedule
16 provided by the Department of Corrections and Rehabilitation.
17 The department’s schedule shall provide for the allocation of funds
18 appropriated in the annual Budget Act, and included in the Local
19 Law Enforcement Services Account, among counties that operate
20 juvenile camps and ranches based on the number of occupied beds
21 in each camp as of 12:01 a.m. each day, up to the Corrections
22 Standards Authority rated maximum capacity, as determined by
23 the Corrections Standards Authority.

24 (b) Commencing with the 2012–13 fiscal year, *subsequent to*
25 *the allocation described in subdivision (c) of Section 29552 of the*
26 *Government Code*, the Controller shall allocate ~~6.01~~ 6.46955375
27 percent of the *remaining* funds deposited in the Enhancing Law
28 Enforcement Activities Subaccount in the Local Revenue Fund
29 2011 pursuant to the schedule provided by the Department of
30 Finance based on data reported to the Board of State and
31 Community Corrections. The schedule shall provide for the
32 allocation of funds appropriated in the annual Budget Act, and
33 included in the Enhancing Law Enforcement Activities Subaccount,
34 among counties that operate juvenile camps and ranches based on
35 the number of occupied beds in each camp as of 12:01 a.m. each
36 day, up to the rated maximum capacity, as determined by the board.
37 Allocations shall be made following the end of each fiscal quarter,
38 beginning July 1, 2012, to account for beds occupied in that quarter.

39 (c) Commencing with the 2013–14 fiscal year, *subsequent to*
40 *the allocation described in subdivision (d) of Section 29552 of the*

Government Code, the Controller shall allocate ~~6.01~~ 6.46955375 percent of the *remaining* funds deposited in the Enhancing Law Enforcement Activities Subaccount in the Local Revenue Fund 2011 pursuant to the schedule provided by the Department of Finance based on data reported to the Board of State and Community Corrections. The schedule shall provide for the allocation of funds appropriated in the annual Budget Act, and included in the Enhancing Law Enforcement Activities Subaccount, among counties that operate juvenile camps and ranches based on the number of occupied beds in each camp as of 12:01 a.m. each day, up to the rated maximum capacity, as determined by the board. Allocations shall be made in monthly installments.

SEC. 15. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 16. The sum of one thousand dollars (\$1,000) is hereby appropriated from the General Fund to the Department of Corrections and Rehabilitation for administration.

SEC. 17. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

~~SECTION 1. It is the intent of the Legislature to enact statutory changes relating to the Budget Act of 2013.~~